

Saskatoon Public Library 2020/2021 Business Plan and Budget

ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2020 and 2021. The figures in this report are stated as 2020 and 2021 respectively, unless otherwise noted.

RECOMMENDATION

1. That the Saskatoon Public Library Business Line Operating Budget for 2020 totalling \$27,192,800 in expenditures and \$27,192,800 in revenues be approved;
2. That the Saskatoon Public Library Business Line Operating Plan for 2021 totalling \$28,466,600 in expenditures and \$28,466,600 in revenues be approved;
3. That the 2020 Capital Budget totalling \$152,900,000 be approved; and
4. That the 2021 Capital Plan totalling \$200,000 be approved.

BACKGROUND

The 2020/2021 Preliminary Business Plan and Budget (Preliminary Budget) was released on October 30, 2019.

DISCUSSION/ANALYSIS

Saskatoon Public Library Operating Budget

The Preliminary Budget includes a total of \$27,192,800 and \$28,466,600 in expenditures for the Saskatoon Public Library Business Line. Increases of \$1,349,100 (5.2%) and \$1,273,800 (4.7%) are projected, largely due to:

- increases in capital contributions to the New Central Library Reserve of \$640,000 in each of 2020 and 2021;
- an increase of 1.0 FTE to support the Facilities Manager by providing a Facility Support Assistant in 2020;
- an increase of 2.0 FTE in 2021 to support programming functions (1.5 FTE) and finance administration functions (0.5 FTE); and
- other inflationary increases in order to address staff compensation requirements based on collective bargaining agreements and other contractual requirements.

This business line also includes a total of \$994,000 and \$996,400 in non-tax revenue sources, which is an increase of \$56,000 and \$2,400 over prior years.

The Saskatoon Public Library is a separate taxing authority within the City of Saskatoon (City) and sets its mill rate and collects property tax separate from the general civic property tax. The City simply collects the taxes on behalf of the Library. The Saskatoon Public Library is required to present and obtain approval of a balanced budget each year from City Council.

In order to balance the Saskatoon Public Library Operating Budget, a property tax increase of 3.75% and 3.88% is being proposed. These property tax increases would generate an additional \$937,100 and \$1,016,400 in revenue for the Saskatoon Public Library.

Saskatoon Public Library Capital Budget

The Preliminary Budget includes \$152,900,000 and \$200,000 in funded capital investments in each year. The most significant capital project included in the Saskatoon Public Library's budget is \$152,700,000 for a new central library. This project will replace the Frances Morrison Central Library, which opened in 1966. The new central library is a critical piece of the Saskatoon Public Library's long-term plan to address growth, service demand and service gaps, and will also add the much-needed capacity required for Saskatoon Public Library to continue to deliver vital library services to the community into the future. The new central library will also address safety, and accessibility issues at the current facility.

This project is proposed to be funded as follows:

- \$15,000,000 in private contributions or donations;
- \$4,600,000 through the sale of the Frances Morrison Central Library and associated land;
- \$87,545,000 in borrowing; and
- \$45,555,000 in Saskatoon Public Library Reserve contributions.

City Council approval is also required for the capital budget, and in particular, the borrowing required to construct the new central library.

IMPLICATIONS

The financial implications are included in this report. There are no legal, social, or environmental implications.

NEXT STEPS

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2020.

APPENDICES

1. Saskatoon Public Library 2020 and 2021 Operating & Capital Budget Submission

REPORT APPROVAL

Written by: Kari Smith, Interim Director of Finance
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Carol Cooley, Director of Libraries & CEO
Approved by: Kerry Tarasoff, Chief Financial Officer

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